

Title I Supplement not Supplant Requirements and Determining Allowable Costs

Federal Funding Conference
February 2019

Title I, Part A Fiscal Requirements



Elementary and Secondary Education Act of 1965

Reduce the achievement gaps between students by providing each child with fair and equal opportunities to achieve an exceptional education.



Title I, Part A Fiscal Requirements

Three methods in ESSA to ensure Title I funds are used to support students at-risk of failing:

- Maintenance of Effort
- Comparability
- Supplement not Supplant



Supplement, not Supplant

An LEA shall use Title I funds to supplement the funds that would, in the absence of Title I funding, be made available from state and local sources for the education of Title I students, and not to supplant such funds.



Title I, Part A Supplement not Supplant

LEAs are required to:

- identify the methodology used to allocate state and local funds to Title I schools AND
- demonstrate that these schools receive all of the state and local funds they would be entitled to, even if they were not Title I schools.

LEAs cannot take away state/local funds from Title I schools because they are Title I schools.



Title I, Part A Supplement not Supplant (cont.)

The Secretary of the US Department of Education may not prescribe the specific methodology an LEA uses to allocate state and local funds to each Title I school.

The methodology is a local decision.



Title I, Part A Supplement not Supplant (cont.)

No LEA shall be required to:

- **Identify individual costs or services as supplemental.**
- **Provide services through a particular instructional method, or in a particular instructional setting, to demonstrate compliance.**



Methodology (cont.)

Methodology must be documented and in place by July 1, 2018.

LEAs are not required to use the same methodology for each school, but **must demonstrate that the methodology does not deprive a Title I school of state/local funds because of its Title I status.**



Methodology (cont.)

Distribution methodology could vary based on:

- **Grade span (high school vs. elementary);**
- **School size;**
- **Student needs (ELL, newly arrived, special ed, etc.);**
- **School model (CTE, magnet, IB, etc.); and**
- **Other factors, providing those factors are not based on Title I status.**



Methodology (cont.)

Methodology may exclude state and local funds that meet the intents and purposes of Title I, Part A.



Methodology Checklist

Methodology:

- ✓ Is in place by July 1, 2018
- ✓ Demonstrates that Title I schools received all of the state and local funds they would be entitled to
- ✓ Is “Title I neutral”
- ✓ Is documented



Methodology Sample 1

Pine Meadows School District plans the annual building budgets in two parts: personnel and non-personnel.

PERSONNEL: Personnel decisions are made by the administrative team on a districtwide basis and are approved by the superintendent.

- Classroom instructional staff members are paid with state and local funds.
- Title funds for each of the three Title I schools are allocated in order to provide equitable services to all students within the district. Title I staff members provide supplemental instruction for students in need of additional academic support by using evidence-based interventions and support services in order to make progress on closing the achievement gap for all subgroups in English language arts and math so all students meet challenging academic standards.

Methodology Sample 1

NON-PERSONNEL: Beginning with the 2018-19 school year, the administration recognized the need to be sure each building was given a baseline per pupil amount of funding on which they could depend. The decision was made to fund non-personnel expenses as follows.

- K-5th grade students: \$500 per pupil
- 6th-8th grade students: \$750 per pupil
- 9th-12th grade students: \$1,000 per pupil

Budgeting for the 2018-2019 school year was based on the January 2018 student count, taken during the 2017-2018 school year. Non-personnel budgeting is comprised solely of state and local funds. Federal funding is used solely to supplement these funds and is not taken into account when establishing non-personnel budgets.

Each building works together to develop their building budgets. Different iterations of zero-based budgeting are used within each building, all with a strong emphasis on utilizing funds to meet the needs of its current student population.

Methodology Sample 1

Methodology:

- ✓ Is in place by July 1, 2018
- ✓ Demonstrates that Title I schools received all of the state and local funds they would be entitled to
- ✓ Is “Title I neutral”
- ✓ Is documented



Methodology Sample 2

Sunset Park District uses modified site-based budgeting for each annual budget.

This methodology provides each school building with an allocation amount that is derived from a student enrollment count multiplied by a per student amount.

The per student amounts have been created based on the various needs in the buildings, regardless of receiving any local, state or federal grants and are agreed upon by the administrators. For example, the high school allocation is larger than the other schools due to the courses and numerous activities that they offer to students (i.e. technology education, family and consumer science, science labs, etc.).



Methodology Sample 2

Each spring the director of business services meets with each one of the building principals to review their budget from the current year and talk about their budget for the following year.

The purpose is to identify any challenges that they may be seeing due to a lack of resources. For example, this past year it was identified that consumables, such as math workbooks, are especially creating a challenge for Forrest St. Early Learning Center. The administrative team will need to take this in to consideration during deliberations in the upcoming months for next year's budget.



Methodology Sample 2

Methodology:

- ✓ Is in place by July 1, 2018

Demonstrates that Title I schools received all of the state and local funds they would be entitled to

- ✓ Is “Title I neutral”
- ✓ Is documented



Methodology Sample 2

How could the Sunset Park School District demonstrate that Title I schools received all of the state and local funds they would be entitled to?



Methodology Sample 3

Starting on July 1, 2018, the Sunrise Park School District will use a per pupil formula to determine school level allocations for state and local funds.



Methodology Sample 3

2018-19 Budget Projections

School Name	\$5,000/EL Student \$7,000/MS & HS Student		\$250 per Low Income (LI) Student		\$500 per English Learner (EL)		Total State and Local Funds
	Total Enrollment	Amount	# of LI Students	Amount	# of ELs	Amount	
Oak El (TI school)	450	\$2,250,000	200	\$50,000	100	\$50,000	\$2,350,000
Pine El (TI School)	375	\$1,875,000	125	\$31,250	76	\$38,000	\$1,944,250
Ash Mi	250	\$1,750,000	75	\$18,750	43	\$21,500	\$1,780,250
Maple Hi	465	\$3,255,000	210	\$52,500	125	\$62,500	\$3,370,000
District Costs (e.g., administration, human resources, transportation, etc.)							\$4,053,530
Total District Budget							\$13,448,030



Methodology Sample 3

Methodology:

- ✓ Is in place by July 1, 2018
- ✓ Demonstrates that Title I schools received all of the state and local funds they would be entitled to
Is “Title I neutral”
- ✓ Is documented



Methodology Sample 3

How could this school district demonstrate that Title I schools received all of the state and local funds they would be entitled to regardless of receiving Title I Funds?



Determining Allowable Costs for Title I



Title I Allowable Costs – School Level

1. Is the activity or expense required by state, local or other federal law?
2. Was this activity or expense paid for by local funds in the past?
3. Does the LEA use Title I funds to provide a service to non-Title I students and Title I funds for the same service to Title I students?



Title I Allowable Costs – School Level (cont.)

1. Did the school receive its full share of local/state funds based on the LEA's methodology?
2. Is the proposed budget item addressing the needs of Title I students?
3. Does the cost adhere to the Uniform Grant Guidance, EDGAR, and the LEA policies?
 - [Allowability checklist](#)



Allowable Cost Scenarios

- Assume that the school received its full share of state/local funds based on the LEA's methodology.
- Assume that the costs adhere to the LEA policies.



Allowable Cost Scenario 1

A school implementing a Title I schoolwide program paid for a reading software program last year using local funds. This year the school used Title I funds to pay for the reading software program.

- Is this supplanting? **No**
- Is this allowable? **Yes**



Allowable Cost Scenario 1 (cont.)

- ✓ The school received its full share of local/state funds based on the LEA's methodology.
- ✓ The proposed budget item addresses the needs of Title I students.
- ✓ The cost adheres to the Uniform Grant Guidance, EDGAR, and the LEA policies.



Allowable Cost Scenario 2

A school implementing a Title I schoolwide program paid for an English literacy software program last year using local funds. This year the school used Title III funds to pay for the English literacy software program.

- Is this supplanting? **Yes**
- Is this allowable? **No**



Allowable Cost Scenario 2 (cont.)

This is supplanting, therefore not allowed.

- **The funding source is Title III.**
- **The three supplement not supplant “tests” still apply to Title III.**
- **The software was funded with local funds in the previous year, therefore Title III funds can not be used to pay for the software this year.**



Allowable Cost Scenario 3

A Title I targeted assistance school provides reading intervention during the school day. The school uses Title I funds for identified Title I students and local funds for other participating students.

- Is this supplanting? **No**
- Is this allowable? **Yes**



Allowable Cost Scenario 3 (cont.)

- ✓ The school received its full share of local/state funds based on the LEA's methodology.
- ✓ The proposed budget item addresses the needs of Title I students.
- ✓ The cost adheres to the Uniform Grant Guidance, EDGAR, and the LEA policies.



Allowable Cost Scenario 4

A school implementing a Title I targeted assistance program used Title I funds to provide services to meet a student's individualized educational program (IEP).

- Is this supplanting? **No**
- Is this allowable? **No**



Allowable Cost Scenario 4 (cont.)

- ✓ The school received its full share of local/state funds based on the LEA's methodology.
- ✓ The proposed budget item addresses the needs of Title I students.

This is not allowed.

- The cost is prohibited by Title I, Part A, Sections 1114(a)(2)(B) and 1115 (c)(3). The [Uniform Grant Guidance](#) requires all costs to be allowable under the federal program.



Allowable Cost Scenario 4 (cont.)

- IDEA requires that an LEA serving children with disabilities develop an IEP to ensure that the child with a disability receives a free appropriate public education. The IEP functions as a framework for the services the LEA is required to provide to each child to meet the requirements of IDEA.
- In the absence of Title I funds, it is presumed that the LEA would use other funds or it would be in violation of IDEA.
- An LEA could use TI funds to provide additional supplemental services to children with disabilities. It just needs to be above and beyond the IEP.



Allowable Cost Scenario 5

A Title I targeted assistance school is taking all of its fourth-grade students to the waterpark for a field trip and will use Title I funds to cover the costs of students receiving Title I services.

- Is this supplanting? **No**
- Is this allowable? **No**



Allowable Cost Scenario 5 (cont.)

- ✓ The school received its full share of local/state funds based on the LEA's methodology.

This is not allowed.

- The cost is prohibited by the [Uniform Grant Guidance](#).



Allowable Cost Scenario 6

A Title I targeted assistance school is implementing Academic Parent Teacher Teams (APTTs) for all grades. It will use Title I funds to cover the costs for parents of students receiving Title I services.

- Is this supplanting? **No**
- Is this allowable? **Yes**



Allowable Cost Scenario 6 (cont.)

- ✓ The school received its full share of local/state funds based on the LEA's methodology.
- ✓ The proposed budget item addresses the needs of Title I students.
- ✓ The cost adheres to the Uniform Grant Guidance, EDGAR, and the LEA policies.



Title I Allowable Costs – District Level

1. The three tests apply.
2. Does the cost adhere to the Uniform Grant Guidance, EDGAR, and the LEA policies?
 - [Allowability checklist](#)

This may change if USDE's proposed non-regulatory guidance is approved.



Proposed Non-Regulatory Guidance

- Link to Proposed Guidance:

<https://www2.ed.gov/policy/elsec/leg/essa/snstitleiguidance.pdf>

- DPI's response to USDE can be [found here](#)
- USDE has proposed that the three tests of supplanting will not apply to district level expenditures
 - This will take effect beginning in the 2019-20 school year



Title I, Part A Fiscal Requirements

Three methods in ESSA to ensure Title I funds are used to support students at-risk of failing:

- Maintenance of Effort (MOE)
- Supplement not Supplant
- Comparability



ESEA Maintenance of Effort

Demonstrates that the district has maintained its fiscal effort by at least 90% over a two-year time period. MOE is based on actual expenditures for the entire district.

Required for all districts receiving funds under ESEA



Title I, Part A Supplement not Supplant

Requires a methodology to demonstrate that Title I schools receive all of the state and local funds they would otherwise receive if they were not Title I schools.

Currently required for all districts receiving Title I, Part A



Title I, Part A Comparability

Requires districts to demonstrate that the amount of state and local funds Title I schools receive are comparable to non-Title I schools or other Title I schools within the same grade span

- Think of this as the outcome of the methodology required under Supplement not Supplant (SnS)
- The SnS methodology must be comparable

Required for all districts receiving Title I, Part A and serving more than one school within the same grade span (many districts are exempt from this requirement)



Supplement, not Supplant verses School Level Reporting

School Level Report is **not** the methodology to meet the SnS requirement.

Supplement, not Supplant	School Level Report
Methodology showing how state and local funds are allocated	Report showing how federal, state/local funds are spent

Link to Title I Fiscal Requirements Overview:

https://dpi.wi.gov/sites/default/files/imce/title-i/t1guide/comparision_ti_fiscal_reqs.pdf



Title I, Part A Fiscal Requirements



Elementary and Secondary Education Act of 1965

Reduce the achievement gaps between students by providing each child with fair and equal opportunities to achieve an exceptional education.



Educational Equity

Educational equity means that every student has access to the educational resources and rigor they need at the right moment in their education across race, gender, ethnicity, language, disability, sexual orientation, family background and/or family income.

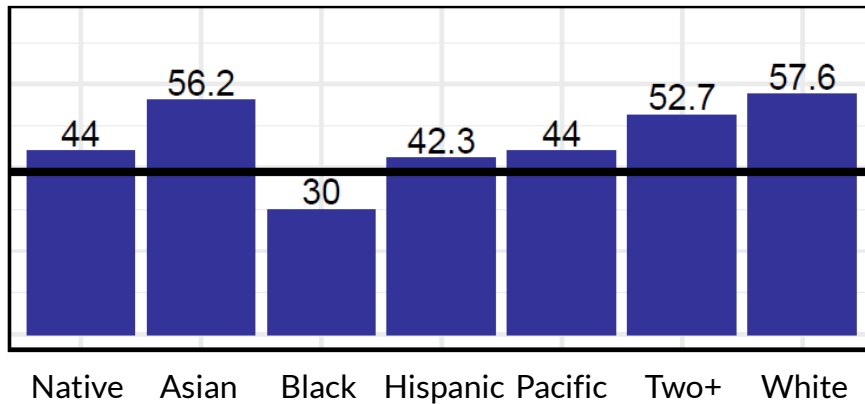
Council of Chief State School Officers

“Leading for Equity: Opportunities for State Education Chiefs”

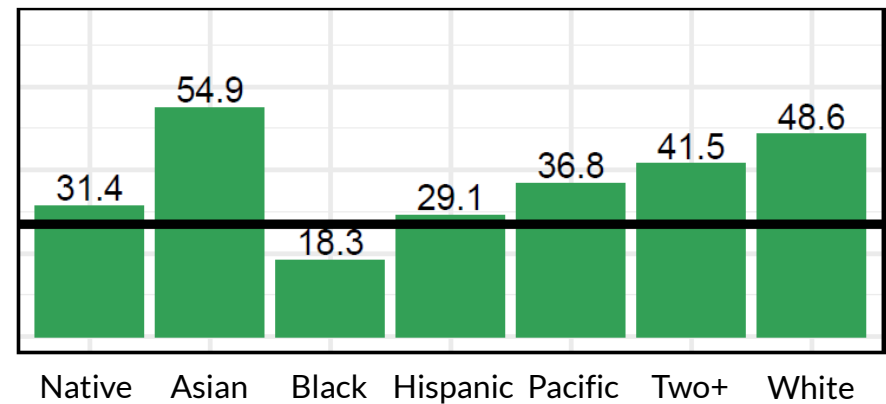


Poverty Does NOT Explain it all

3rd Grade ELA Scores– Forward Exam



8th Grade Math Scores – Forward Exam



The columns show the % proficient or advanced for student (by race) who are NOT economically disadvantaged (middle- and upper-class).

The black line is the % proficient and advanced for economically disadvantaged (low-income) white students.

Low-income white students do almost as well or better than many middle- and upper-class students of color.
This means race, not just poverty, is impacting student achievement and opportunities.

Wisconsin's State Plan

Wisconsin has set the ambitious goal of cutting the achievement gap in half for each student subgroup within six years.

Wisconsin will base calculations on the subgroups required in ESEA section 1111(c)(2)(B). They include:

- **Major racial and ethnic groups:** American Indian or Alaskan Native, Asian, Black or African American, Hispanic/Latino, Native Hawaiian or Other Pacific Islander, Two or More, and White;
- **Economically disadvantaged students;**
- **Students with disabilities; and**
- **English Learners**



Is the Use of Funds Equitable?

Through your work, how are you accelerating growth/positive change for learners who most need it, based on data, while increasing opportunities for all students?



Resources from DPI that Promote Equity

- [Promoting Excellence for All \(PEFA\) Report](#)
- [Family and Community Engagement in PEFA](#)
- [PEFA eCourse](#)
- [PEFA eCourse Facilitator's Guide](#)
- [Creating Safe and Healthy Environments for Immigrant and Refugee Youth](#)
- [Trauma Informed Modules](#)
- [McKinney-Vento Modules](#)

Title I Fiscal Resources

- Title I Deadlines and Fiscal Information
<https://dpi.wi.gov/title-i/fiscal-information>
- Title I Shorts
<https://dpi.wi.gov/title-i/title-i-shorts>

Contacts

Title I Education Consultant Directory

<https://dpi.wi.gov/title-i/consultant-directory>

Title I Network Coordinators

<https://dpi.wi.gov/title-i/network/contacts>